

1 UNITED STATES BANKRUPTCY COURT

2 CENTRAL DISTRICT OF CALIFORNIA

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4 In Re:

Case No. 23-10571-SC
Chapter 11

5 THE LITIGATION PRACTICE
6 GROUP, P.C.

Santa Ana, California
September 12, 2024
10:00 AM

Debtor.

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8 #4.0 CHAPTER 11 TRUSTEE,
RICHARD A. MARSHACK'S MOTION
9 FOR ORDER APPROVING
COMPROMISE OF CONTROVERSY
10 PURSUANT TO FEDERAL RULE OF
BANKRUPTCY PROCEDURE 9019 AS
11 TO DEFENDANT OPTIMUMBANK AND
OPTIMUMBANK HOLDINGS, INC.

12 TRANSCRIPT OF PROCEEDINGS
13 BEFORE THE HONORABLE SCOTT CLARKSON
UNITED STATES BANKRUPTCY JUDGE

14 APPEARANCES (All present by video or telephone):

15 For CLG LLC:

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18 For the Trustee:

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(Via Zoom)
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Court Recorder:

TAMIKA LAW

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United States Bankruptcy Court

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Ronald Reagan Federal Building

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Proceedings recorded by electronic sound recording;
transcript provided by transcription service.

The Litigation Practice Group, P.C.

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1 SANTA ANA, CALIFORNIA, THURSDAY SEPTEMBER 12, 2024, 10:03 AM

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3 (Call to order of the Court.)

4 THE COURT: Let's call number 4 in the Litigation
5 Practice Group. This is the motion for an order approving a
6 compromise.

7 In the courtroom first, may I have an appearance?

8 MR. KHARASCH: Good morning, Your Honor. Ira Kharasch
9 of Pachulski Stang, appearing on behalf of CLG, LLC.

10 THE COURT: Good morning to you.

11 And on the Zoom?

12 MR. GHIO: Good morning, Your Honor. Christopher
13 Ghio, of Dinsmore & Shohl, appearing on behalf of the trustee.

14 THE COURT: Good morning to you.

15 Are there any other appearances on this matter?

16 Mr. Ghio, do you have a motion or a request?

17 MR. GHIO: We have a request, Your Honor. We have had
18 some discussions with Mr. Kharasch regarding CLG's opposition
19 to the settlement agreement. We're going to continue working
20 on a global settlement of the underlying dispute as to
21 ownership of the funds. We'd like to have this motion
22 withdrawn without prejudice. And if and when we reach a global
23 settlement, we'll come in on shortened time for approval of the
24 compromise.

25 THE COURT: Mr. Kharasch, do you have an objection?

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1 MR. KHARASCH: Well, I have a clarification, Your
2 Honor. Well, if I can just read it. I have to read it from my
3 cell phone, because we just reached this deal about an hour
4 ago. But this is from an email that Mr. Ghio agreed to this
5 morning that I had sent last night.

6 And just to be more specific, the motion shall be
7 withdrawn without prejudice, cannot be refiled until October
8 15th. Two, CLG will also not file a motion to modify the
9 preliminary injunction order, at docket number 70, until
10 October 15th. The funds at issue stay where they are under the
11 same status quo. Number four, we agree to further extend the
12 Rule 26 initial disclosure deadline to October 1. And the last
13 sentence says we will just read this on the record at the
14 hearing.

15 THE COURT: Mr. Ghio?

16 MR. GHIO: I'm in agreement with that, Your Honor.

17 THE COURT: Well, that is appro17

18 MR. GHIO: Thank you.

19 MR. KHARASCH: Thank you, Your Honor.

20 THE COURT: Thank you.

21 MR. GHIO: Have a great day.

22 MR. KHARASCH: Thanks.

23 (Whereupon these proceedings were concluded at 10:05 AM)
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I N D E X

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C E R T I F I C A T I O N

I, Sharona Shapiro, certify that the foregoing transcript is a true and accurate record of the proceedings.



/s/ SHARONA SHAPIRO, CET-492

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Date: September 16, 2024

September 12, 2024

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